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Before the
FEDERAL COMMUNICATIONS COMMISSIONS
Washington, DC 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

CC Docket No. 96-61

In the Matter of)
Policy and Rules Concerning the Interstate,)
Interexchange Marketplace)
Implementation of Section 254(g) of the)
Communications Act of 1934, as amended)
Time Warner Telecom Inc. Petition for)
Extension of Time to File Initial Certification of)
Compliance with Section 254(g) of the)
Communications Act of 1934)

PETITION FOR EXTENSION OF TIME

Time Warner Telecom Inc. ("Time Warner Telecom"), by its attorneys, respectfully requests that the Commission extend the time for it to file its initial certification of compliance with Section 254(g) of the Communications Act of 1934, as amended ("Communications Act") (47 U.S.C. § 254(g)) to September 1, 2001. This extension of time is necessary for Time Warner Telecom to complete substantial modifications to facilities and equipment recently purchased from GST Telecommunications, Inc. ("GST") that are necessary to achieve rate integration for all customers, including customers located in states in which Time Warner Telecom previously did not offer service.

BACKGROUND

Section 254(g) of the Communications Act requires providers of interstate interexchange telecommunications service to engage in rate integration (*i.e.*, charging subscribers in each state rates no higher than rates charged to subscribers in any other state) and geographic rate averaging (*i.e.*, charging subscribers in rural and high cost areas rates no higher than rates charged to subscribers in urban areas). 47 U.S.C. § 254(g). Section 64.1900 of the

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LIST A B C D E

Commission's Rules (47 C.F.R. § 64.1900(a)) directs each nondominant provider of detariffed interstate interexchange service to file a certification of compliance with the rate integration and geographic rate averaging obligations of Section 254(g). In 1996, the Commission adopted mandatory detariffing which became effective in May 2000, for interstate domestic interexchange service provided by nondominant carriers.¹ The Commission initially established January 31, 2001 as the deadline for nondominant domestic interexchange carriers to withdraw or cancel their tariffs for mass-market consumer services.² Pursuant to a Commission Order, the deadline for detariffing mass-market consumer services was extended to April 30, 2001. The Commission also determined in that Order that interexchange carriers ("IXCs") would be required to file initial certifications of compliance with Section 254(g) by May 1, 2001.³ The Commission recently again extended the detariffing deadline for mass-market consumer services to July, 31, 2001, and similarly extended the deadline for filing initial Section 254(g) certifications to August 1, 2001.⁴ Therefore, Time Warner Telecom is required to file its Section 254(g) certification by August 1, 2001.

¹ Policy and Rules Concerning the Interstate, Interexchange Marketplace, Second Report and Order, 11 FCC Rcd 20730 (1996), aff'd MCI WorldCom, Inc. v. FCC, 209 F.3d 760 (D.C. Cir. 2000) (interim history omitted).

² Public Notice – Domestic, Interexchange Carrier Detariffing Order Takes Effect, CC Docket No. 96-61, DA 00-1028 (Com. Car. Bur. May 9, 2000).

³ Policy and Rules Concerning the Interstate, Interexchange Marketplace, Order, 2000 FCC LEXIS 6116, ¶¶ 4, 24 (Nov. 17, 2000).

⁴ Public Notice – Common Carrier Bureau Extends Transition Period for Detariffing Consumer Domestic Long Distance Services, CC Docket No. 96-61, DA 01-282 (Feb. 5, 2001); Public Notice – Common Carrier Bureau Extends Deadline for First Annual Certification of Compliance with Geographic Deaveraging and Rate Integration Requirements to August 1, 2001, CC Docket No. 96-61, DA 01-473 (Feb. 21, 2001).

Time Warner Telecom currently provides local exchange and interexchange telecommunications services in seventeen states throughout the United States. Time Warner Telecom commenced service in six of those states on January 10, 2001, the date that Time Warner Telecom completed its purchase of GST's telecommunications assets, including GST's subscriber base, in those six states. GST, a Canadian corporation with its principal business office located in Vancouver, Washington, was a provider of local exchange and interexchange telecommunications services in several states throughout the United States. On May 17, 2000, GST filed for reorganization under Chapter 11 of the United States Bankruptcy Code (11 U.S.C. § 1101 *et seq.*) in the United States Bankruptcy Court for the District of Delaware. Under the supervision of the United States Bankruptcy Court, GST conducted an auction to accomplish the sale of substantially all of its assets. Time Warner Telecom and GST entered into an asset purchase agreement, which was approved by the Bankruptcy Court on September 21, 2000, whereby Time Warner Telecom would purchase substantially all of GST's assets, including GST's subscriber base, in the United States. As stated above, the asset purchase agreement between Time Warner Telecom and GST was consummated on January 10, 2001. Immediately upon closing the transaction, Time Warner Telecom commenced the provision of local exchange and interexchange service in the states where GST formerly operated using the assets acquired from GST.

ARGUMENT

Time Warner Telecom requests an extension of time to file its Section 254(g) certification to allow Time Warner Telecom sufficient time to fully integrate the network, billing systems and pricing structures acquired from GST with those of Time Warner Telecom which predated its acquisition of the GST assets. Currently, Time Warner Telecom is meeting its

obligation of rate integration under Section 254(g) in all states in which Time Warner Telecom provided service prior to Time Warner Telecom's purchase of GST's assets. In addition, in states that were formerly served by GST, Time Warner Telecom is continuing to charge customers interstate interexchange rates identical to those previously charged by GST.⁵ However, at this time, the interstate interexchange rates charged in those states that were formerly part of GST's service area are not identical to the rates charged in all other states served by Time Warner Telecom.⁶

Time Warner Telecom must complete several modifications to its systems to integrate the assets acquired from GST and to have the ability to charge customers the same interstate interexchange rates in each state it serves, including the states previously served by GST. In particular, Time Warner Telecom must incorporate information concerning former GST customers' accounts into Time Warner Telecom's central billing system to ensure that the billing system can recognize and charge calls to former GST customers. Time Warner Telecom also needs to perform technical adjustments to all of its switches and other equipment purchased from GST so that calls that originate or terminate at former GST customer locations are correctly routed, rated, and measured. After all modifications of Time Warner Telecom's telecommunications system have been completed, the entire system must undergo testing to determine whether the assets purchased from GST were successfully integrated with Time

⁵ Time Warner Telecom currently complies with the geographic rate averaging obligation under Section 254(g) of the Communications Act.

⁶ The difference between the interstate interexchange rates Time Warner Telecom charges to customers in states formerly part of GST's service area and the rates Time Warner Telecom charges customers in all other states served by Time Warner Telecom is insignificant. For comparable interstate interexchange service, Time Warner Telecom charges \$0.0780 per minute to customers in service areas previously served by GST and \$0.0825 to customers in all other areas served by Time Warner Telecom.

Warner Telecom's network and compatible with the billing system. The technical analysis, adjustments, and testing that must be performed on Time Warner Telecom's equipment to give Time Warner Telecom the ability to achieve rate integration will require a significant amount of labor and time. Time Warner Telecom has commenced the process of combining the assets purchased from GST with its network and billing system and is committed to expeditiously accomplishing the necessary modifications to its system. Based on its progress to date, Time Warner Telecom estimates that it will complete all modifications and testing of its telecommunications system necessary to achieve rate integration within the next six months. Therefore, Time Warner Telecom requests an extension of time until September 1, 2001 to file its initial certification of compliance with Section 254(g) of the Communications Act.


The Commission's grant of Time Warner Telecom's request for an extension of time will not harm any of Time Warner Telecom's customers, including those acquired from GST. Prior to the consummation of the asset purchase agreement between Time Warner Telecom and GST, Time Warner Telecom informed GST's customers that Time Warner Telecom initially would provide services to them at rates identical to those charged by GST.⁷ Since the closing of the transaction, Time Warner Telecom has continued to charge GST's former customers the same rates that GST had been charging those customers. Moreover, Time Warner Telecom has not made any adjustments to the rates it was charging its customers prior to the closing of the transaction with GST. Time Warner Telecom does not intend to make any rate changes until it has fully integrated the assets purchased from GST with Time Warner Telecom's central billing

⁷ This commitment was made in the context of Time Warner Telecom's emergency petition for limited waiver of the Commission's customer authorization and verification requirements. That waiver was granted by the Commission. See Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, et al, DA 00-2430 (released October 27, 2000).

system. Thus, all of Time Warner Telecom's customers are continuing to receive service at rates identical to the rates they paid prior to Time Warner Telecom's purchase of GST's assets. Therefore, none of Time Warner Telecom's customers will be harmed if the Commission grants Time Warner Telecom's request for an extension of time.

WHEREFORE, based on the foregoing, Time Warner Telecom respectfully requests the Commission to grant it an extension of time until September 1, 2001 to file its initial Section 254(g) certification.

Respectfully submitted,
TIME WARNER TELECOM INC.

A handwritten signature in dark ink, appearing to read "M. F. Brecher", is written over a horizontal line.

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February 28, 2001

DECLARATION


I, Donald F. Shepherd, having personal knowledge of the following, make this Declaration pursuant to 47 C.F.R. §§ 1.16 and 1.726(e).

1. I am employed with Time Warner Telecom Inc. ("Time Warner Telecom") as Vice-President, Federal Regulatory Affairs.

2. I am providing this Declaration in support of Time Warner Telecom's Petition for Extension of Time.

3. I have reviewed the Petition, including all factual allegations contained therein. To the best of my personal knowledge and belief, all facts alleged in the Petition are true and correct.

4. I declare under penalty of perjury that the foregoing is true and correct.



Executed on: Feb. 28, 2001

CERTIFICATE OF SERVICE

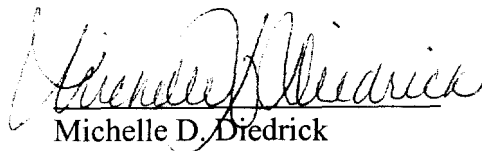
I, Michelle D. Diedrick, certify that on the 28th day of February, 2001, I have caused to be served by hand delivery, a true copy of the foregoing Petition for Extension of Time upon the following:

Ms. Dorothy Attwood, Chief
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Ms. Jane Jackson, Chief
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Michelle D. Diedrick